10 April 2014

NEWBURY RACECOURSE PLC
("the Racecourse" or "the Company")
Preliminary Results for the 12 months ended 31 December 2013

Newbury Racecourse plc, the racing, entertainment and events business, today announces its preliminary results for the twelve months ended 31 December 2013.

Financial Overview

- Trading business turnover £11.6m (2012: £11.8m)
- Consolidated group profit on ordinary activities before tax £1.5m (2012: £7.9m) including £1.8m of exceptional profits (2012: £10.0m exceptional profits)
- Trading operating profit before operating exceptional items of £149,000 (2012: £236,000)
- Trading business loss before tax of £0.7m (2012: loss £1.4m)

Property Development Highlights

- Occupation of fifty homes in the Western Area
- Newly created trackside apartments attracting high demand
- Commenced significant programme to renovate the racecourse transport infrastructure and racing facilities

Operational Highlights

- New media rights agreement delivered a £0.5m increase in media income
- Continued commitment to prize money with 5% increase
- Conference and Events revenues increased by 14%

Dominic Burke, Chairman of Newbury Racecourse commented:

"We have made good progress during the year with the David Wilson Homes partnership underpinning our future. However, we have an important phase ahead as we consider areas of key investment that will support our long-term strategy of developing the racecourse as a leading racing, events and entertainment business. Nevertheless, we are confident that we have the right team and approach to deliver this successfully".

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Julian Thick, Chief Executive

Hudson Sandler — Tel: 020 7796 4133
Charlie Jack / Katie Matthews

Chairman's Statement

In 2013 the Racecourse made good progress with its long-term redevelopment plans through its partnership with David Wilson Homes (DWH). A considerable renovation programme for the racecourse and its infrastructure is now successfully underway. The programme will deliver modern racing facilities with significantly improved racecourse access longer term. This, combined with a broader refurbishment programme, will secure the long-term future of the racecourse with enhanced prospects for all stakeholders.

These developments have been made in the face of a very challenging environment for racing both at Newbury and throughout the rest of the UK. Accordingly, the Board remain wholly focused on increasing the appeal of race day attendance whilst developing the racecourse as a year round leisure and events business. During the year the business has made important steps towards achieving this.

Whilst overall attendance figures for 2013 were lower year on year, there were notable highlights, in particular the Hennessey Heritage Festival that attracted 28,000 racegoers over the three days, a 12% increase on the previous year's attendance.

Our commitment to investing in our racing was again in evidence with a 5% increase in prize money to £3.7m. We were also pleased to conclude a three-year agreement with the Horseman's Group around the levels of prize money that will protect all stakeholders' interests and which saw Newbury achieve premier tier status in terms of its prize money contribution.

Since we launched the format, the Party in the Paddock events have gained a strong following. It has played an important part in increasing race day attendance and broadening the appeal of the racecourse to a wider audience. However, the 2013 music events failed to generate the required returns we had hoped for and we have therefore revised our strategy to focus on acts that will offer greater prospects for profitability.

Gains were made within our conferencing and events business, with some encouraging signs of growth and we have a clear strategy to maintain this momentum albeit in the face of a challenging market.

Whilst we are still in the very early stages of an estimated ten-year development programme with DWH, there has been very satisfactory progress during the year. The Western Area has generated good house sales and there has been a strong response to the trackside apartments. We are extremely confident about our ongoing partnership with DWH.

Following the progress the racecourse has achieved with its racing, land sale and subsequent redevelopment plans, the Board decided that a more traditional management structure of a sole Chief Executive would be best suited for the Company moving forwards. As a result we were delighted to appoint Julian Thick as CEO in December 2013. Julian has brought with him significant racing industry experience having previously been Managing Director of Aintree, Sandown Park and Kempton Park Racecourses. We have also welcomed Claire Spencer, formerly Group Financial Controller, to the Board as Finance Director.

We would again like to thank Sarah Hordern and Stephen Higgins for their contribution to the business over a number of years and we wish them every success for the future.

As part of his role, Julian is undertaking a full review of the business. We look forward to updating our stakeholders on the findings and recommendations from his review at the time of the interim results.

We continue to take a vigorous approach to managing our cost base and anticipate that a number of savings initiatives implemented in 2013 will continue to deliver benefits during 2014. In light of the underlying performance of the trading business the Board does not recommend paying a dividend for 2013.

We have made good progress during the year with the DWH partnership underpinning our future. However we have an important phase ahead as we consider areas of key investment that will support our long-term strategy of developing the racecourse as a leading racing, events and entertainment business. Nevertheless, we are confident that we have the right team and approach to successfully deliver this.

On behalf of the board I would like to thank our staff for their continued hard work during the year. In addition, I would also like to thank our sponsors for their ongoing support and the owners, trainers, all horsemen and racegoers for their continued support of the Racecourse during this time of our redevelopment.

DOMINIC J BURKE
Chairman
9 April 2014

STRATEGIC REPORT

PERFORMANCE REVIEW

Consolidated group profit on ordinary activities before tax in the year ended 31 December 2013 was £1.5m (2012: £7.9m) which includes £1.8m of exceptional profits (2012: £10.0m exceptional profits). The trading business made a loss before tax of (£0.7m) (2012: loss (£1.4m)).

Turnover for the trading business decreased by 1.8% (£0.2m) to £11.6m (2012: £11.8m). Racing revenues decreased by c.1% on prior year, primarily as a result of reduced Party in the Paddock attendances. Conference and Events income showed a 13.6% (£0.1m) improvement on 2012, which was encouraging. The Rocking Horse Nursery suffered a decline in revenues of 8%, during what was a difficult year of trading, as a result of reduced child numbers. Following the outsourcing of the golf activities in June 2013, revenues from this activity ceased.

The decline in overall trading performance resulted in a decrease in trading operating profit before operating exceptional items to £149,000 (2012: £236,000).

The operating loss for the property business before operating exceptional items was £52,000 (2012: loss £279,000), reflecting the costs of managing the ongoing relationship with David Wilson Homes under the development agreement signed in 2012.

The overall operating loss on ordinary activities before interest and exceptional items was (£0.5m) (2012: loss £2m). This includes the costs of a Board restructuring (£0.4m), following the decision to appoint a new Chief Executive in December 2013, replacing the previous structure of joint managing directors, together with the costs of redundancies earlier in 2013 (£0.1m) following a rationalisation of the cost base.

The previous year included the waiver of revenue grants from the Horserace Betting Levy Board (£0.98m), together with the impairment of fixed assets (£1m).

Exceptional items during 2013 relate to a profit on disposal of fixed assets of £1.8m being the recognition of the new centre course car park facility provided by DWH as part of the consideration for the land sale, together with the release of a provision for costs associated with the 2012 land disposal that were settled at a lesser value to that accrued.

Interest receivable of £0.5m reflects the partial unwinding of the DWH debtor discount charge relating to the year ended 31 December 2013.

Racing

The accounts include a total of 28 days racing (2012: 28) comprising 11 days National Hunt racing (2012: 11) and 17 days flat racing (2012: 17). A raceday in March 2013 was abandoned due to snow, for which an insurance claim was made and the financial results of which are included in these financial statements.

2013 proved to be a challenging year for the racing business. The racing business is driven by a relatively small number of major events, which are susceptible to adverse weather, the popularity of horses running and, increasingly so, the availability of quality post racing entertainment.

Overall raceday attendances in 2013 decreased by 18% to 185,000 (2012: 225,000), this was primarily a result of hosting only two Party in the Paddock events (2012: three), both of which suffered from disappointing attendances. The abandonment of the March meeting and the absence of Frankel at the May meeting, at which he won the JLT Lockinge Stakes the previous year, also had a negative impact on overall attendances.

The continued development of the Hennessy Heritage Festival remains central to our racing season. Increased race values and improvements to the customer experience resulted in attendances of more than 28,000 over the three days of racing, an improvement of 12% on 2012. We are committed to continuing to drive forward our plans to make this meeting a cornerstone of the jumping season.

The new media rights agreement with Turf TV which came into effect from 1 April 2013, saw media revenues increase by c. £0.5m for the nine months to 31 December 2013, supporting the racing revenues and enabling us to continue our commitment to prize money.

We are pleased to report that prize money increased by 5% in 2013 to £3.7m. We remain grateful for the continued support of our racing sponsors throughout the year. An agreement was reached in September 2013 between a number of racecourses, including Newbury, the Horsemen's Group and the BHA, which provided clarity over the calculation of prize money contributions and industry funding through to 2016.

Hospitality and Retail

We continue to strive to improve our food and beverage retail offer to customers, through flexibility and innovation in our product offering, investment in the appearance of the retail outlets and staff training.

Public spending and restaurant sales were impacted by the reduced attendances. Corporate hospitality on racedays has been challenging as a result of continued supressed corporate spending.

Leisure, Conference and Events

Conference and Events revenues increased by c.14%, which was encouraging. Gross operating profits were broadly in line with prior year.

We remain focussed on higher margin events and will continue to review the business during the course of the development. We anticipate that with the redeveloped facilities, and as the wider economy improves, the Conference and Events business performance will continue to improve.

The Rocking Horse Nursery

The Rocking Horse Nursery experienced a difficult trading year, with reduced headcount, attributable to increased competition in the local market and the continued challenging wider economic climate. Turnover decreased by 8% from the prior year and operating profits were down 18%.

A pricing review has been undertaken for 2014, to bring the nursery in line with the local market and this, combined with careful cost management and the prospect of the new improved facilities in late 2014, mean that the Board remains confident that the nursery will continue to provide a significant contribution to the profits of the group and be a first class provider of child care services to the local community.

Golf

Having reviewed the golf business in light of the redevelopment, the Board concluded that the optimal solution was to retain 9 holes in the centre of the racecourse, with the facility being managed by a specialist operator. In June 2013 the management of the golf course transferred to Newbury & Crookham Golf club, under a lease agreement.

Property redevelopment

Significant progress has been made following the completion of the landmark deal in September 2012 of the Development Agreement with David Wilson Homes, for the long term redevelopment of the racecourse. The Agreement covers three areas of land at the racecourse known as the Western, Central and Eastern sites on which c. 1,500 homes are to be constructed over the course of the anticipated 10 year development programme and under which DWH are committed to pay a minimum land value of £42.6m to the group, over the course of the ten years.

In addition to new homes there will be major investment in the racing facilities, new access from the north across the railway line, upgraded parking infrastructure and a new Rocking Horse Nursery.

Work has started on the installation of utility supplies alongside the straight mile, this work will be completed during the spring of 2014 and the turf will be reinstated to ensure that the uninterrupted views of racing are retained.

Work is underway on the refurbishment of the original 1905 stables, preserving them for the long term. As part of this project stable staff will benefit from enhanced welfare facilities in the yard, and the first phase of refurbished stable staff accommodation will be completed later on in the Spring of 2014. Construction of the new main stable staff accommodation block and canteen will commence in the Spring of 2014 along with the new Rocking Horse Nursery, with work being completed for early 2015. These assets are included on the balance sheet as replacement assets and deferred income.

The new centre course car park was completed in June 2013 and the relaying of the internal road network is now underway. Work to upgrade the main eastern car park and enhance the public areas and the Grandstands will start later in 2014. An important element of the plans is a new road bridge across the railway line from Hambridge Road, which will open in Autumn 2015. This will be a new major route into the racecourse and will significantly reduce traffic congestion in the immediate vicinity and make access and egress from the racecourse much easier.

In the short term our customers are experiencing some inconvenience on our busier days and we are hugely grateful for their continued support and patience during this time.

Residential construction in the Western Area is making good progress with the first track-side apartment block having reached fifth floor level. The amazing views and unique location have resulted in high levels of demand for the apartments which went on sale in early September 2013. Over fifty homes have now been occupied in the Western Area, forming the basis of the new community with the racecourse at its heart.

The group's cashflows were enhanced by an additional £0.98m of payments received from DWH during the year to December 2013, as part payment against the debtor balance in respect of the land sale.

FUTURE DEVELOPMENTS

In order to ensure that the group achieves its long term strategy of developing the Racecourse as a profitable, leading racecourse, entertainment and events business with racing at its core, the Board is continuing to review a number of options for the refurbishment of the grandstands and associated visitor areas and further details will be provided during 2014.

The redevelopment will provide operational challenges in the next two to three years, however, we are confident that the delivery of the enhanced racecourse will enable us to create a profitable business which rewards shareholders. The DWH contract secures future cash flows, underpinning confidence for the future.

JULIAN THICK
Chief Executive
9 April 2014

Sponsors in the year to 31 December 2013

We would like to thank our leading sponsors for their significant support in 2013

Bet365
Betfred
Betfair
British European Breeders Fund
Dubai Duty Free
JLT
Moët Hennessy UK
Thoroughbred Breeders Association
Weatherbys
Worthington's

We also received much appreciated support from the following sponsors

Academy Insurance
AJC Premier
Aon Limited
Ballymacoll Stud
Bathwick Tyres
Berry Bros & Rudd
Bewiser Insurance
BJP Insurance Brokers
Blackmore Building Contractors Ltd
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Buffalo Pictures Ltd
Burges Salmon LLP
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Christal Construction Management Ltd
Christopher Smith Associates LLP
Compton Beauchamp Estates Ltd
Coln Valley Stud
Coolmation Ltd
Crossland Employment Solicitors
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Doncaster Bloodstock Sales
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Hildon
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Inspiration Inc
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Mary Hare Foundation
MC Seafoods
Oakley Coachbuilders
Outward Bound Trust
Pertemps Group
Powersolve Electronics
Pump Technology Ltd
Punter Southall
Q Associates Ltd
Racing UK
Relyon Cleaning Services
RSA
Scope
Sharps' Brewery
SIA
Smith & Williamson
SP Masonry
Starlight
Swettenham Stud
Thurloe Thoroughbreds
Ultima Business Solutions
Vodafone Group PLC
Wedgewood Estates
West Berkshire Mencap
West Berkshire Racing Club
Whitley Stud
Zenergi

There were also 8 races sponsored for birthdays, retirement or in memorial

Consolidated Profit and Loss Account

Year ended 31 December 2013

	Note	2013 Trading £'000	2013 Property £'000	2013 Total £'000	2012 Trading £'000	2012 Property £'000	2012 Total £'000
Turnover	1	11,585	30	11,615	11,796	15	11,811
Cost of sales		(9,506)	-	(9,506)	(11,061)	(27)	(11,088)
Gross profit	1	2,079	30	2,109	735	(12)	723
Administrative expenses		(2,453)	(127)	(2,580)	(2,060)	(703)	(2,763)
Operating loss		(374)	(97)	(471)	(1,325)	(715)	(2,040)

Operating profit/(loss) before exceptional operating items	1	149	(52)	97	236	(279)	(43)
HBLB revenue grant waived		-	-	-	(986)	-	(986)
Asset impairment	2	(6)	(45)	(51)	(575)	(436)	(1,011)
Restructuring and redundancy costs	2	(517)	-	(517)	-	-	-
		(374)	(97)	(471)	(1,325)	(715)	(2,040)

Loss on ordinary activities before interest and non- operating exceptional items		(374)	(97)	(471)	(1,325)	(715)	(2,040)
Exceptional Items							
Profit on disposal of fixed assets	2	-	1,820	1,820	-	10,007	10,007
(Loss)/profit on ordinary activities before interest		(374)	1,723	1,349	(1,325)	9,292	7,967
Interest receivable and similar income		-	549	549	6	155	161
Interest payable and similar charges		(292)	(60)	(352)	(122)	(77)	(199)
(Loss)/profit on ordinary activities before taxation		(666)	2,212	1,546	(1,441)	9,370	7,929
Tax (charge)/credit	3	10	(450)	(440)	318	(3,164)	(2,846)
(Loss)/profit on ordinary activities after taxation being profit for the financial year		(656)	1,762	1,106	(1,123)	6,206	5,083
Profit per share (basic and diluted)	4			33p			111p

All amounts derive from continuing operations

Consolidated Statement of Total Recognised Gains and Losses

Year ended 31 December 2013

	2013 £'000	2012 £'000
Profit for the financial year	1,106	5,083
Actuarial gain/(loss) relating to pension scheme	28	(143)
Deferred tax on actuarial (gain)/loss	(7)	33
Total recognised profit in the year	1,127	4,973

Consolidated Balance Sheet

Year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Fixed Assets			
Tangible assets		17,052	16,017
Investment		117	117
		17,169	16,134
Current assets			
Stocks		179	216
Debtors			
- due within one year		13,593	6,134
- due in more than one year		9,727	18,908
Cash at bank and in hand		878	2,433
Cash Investment		121	121
		24,498	27,812
Creditors: amounts falling due within one year		(11,126)	(7,021)
Net current assets		13,372	20,791
Total assets less current liabilities		30,541	36,925
Creditors: amounts falling due after more than one year		(10,174)	(17,525)
Provisions for liabilities		(341)	(363)
Net assets before pension deficit		20,026	19,037
Pension deficit		(316)	(310)
Net assets after pension deficit		19,710	18,727
Accruals and deferred income			
Deferred capital grants		4,133	4,277
Capital and reserves			
Called up share capital	5	335	335
Share premium account		10,202	10,202
Revaluation reserve		75	75
Capital redemption reserve		143	143
Profit and loss account surplus		4,822	3,695
Shareholders' funds		15,577	14,450
		19,710	18,727

Consolidated Cash Flow Statement
Year ended 31 December 2013

	Note	2013 £'000	2013 £'000	2012 £'000	2012 £'000
Net cash (outflow) from operating activities	1		(115)		(16)
Returns on investments and servicing of finance					
Interest received and other investment income		-		7	
Interest paid		(128)		(140)	
Pension scheme contributions		-		(50)	
Net cash outflow from returns on investments and servicing of finance			(128)		(183)
Taxation					
UK corporation tax paid		(1,550)		(1,550)	
Return of overpayment		-		56	
Total tax paid			(1,550)		(1,494)
Capital expenditure					
Payments to acquire tangible fixed assets		(640)		(580)	
Receipts from HBLB capital grant		-		986	
Receipts from exceptional sale of fixed assets		983		5,100	
Receipts from sale of other fixed assets		-		623	
Sale of fixed assets expenses		(180)		(339)	
Net cash inflow from capital expenditure			163		5,790
Net cash (outflow)/inflow before financing			(1,630)		4,097
Financing					
Share buy back		-		(6,459)	
Share buy back expenses		-		(450)	
Loan finance received		75		6,574	
Loan repayment		-		(1,935)	
Capital element of finance lease rental payments			-		-
Net cash inflow/(outflow) from financing			75		(2,270)
(Decrease)/increase in cash in the year			(1,555)		1,827

Notes to the Consolidated Cash Flow Statement

Year ended 31 December 2013

1. Reconciliation of operating loss to net cash inflow from operating activities	2013 £'000	2012 £'000
Operating loss	(471)	(2,040)
Depreciation charges	965	874
Amortisation of capital grants	(144)	(110)
Impairment of fixed asset	51	1,011
Decrease/(increase) in stock	37	(36)
(Increase)/decrease in debtors and prepayments	(197)	(314)
(Decrease)/increase in creditors and accruals	(356)	599
Net cash outflow from operating activities	(115)	(16)

2. Reconciliation of net cash flow to movement in net debt	2013 £'000	2012 £'000
(Decrease)/increase in cash in the year	(1,555)	1,827
Cash outflow from debt and lease financing	32	32
Inception of loans	-	(6,574)
Loans repaid	-	1,903
Change in net debt resulting from cash flows	(1,523)	(2,812)
Non cash movements	(381)	(33)
Net debt at 1 January	(4,480)	(1,635)
Net debt at 31 December	(6,384)	(4,480)

3. Analysis of change in net debt	At 1 Jan 2013 £'000	Cash flow £'000	Non cash changes £'000	At 31 Dec 2013 £'000
Cash at bank and in hand	2,554	(1,555)	-	999
Debt due within one year				
- Loan	-	-	-	-
Debt due after one year				
- Loan	(7,034)	-	(349)	(7,383)
- Loan arrangement fees	-	32	(32)	-
	(4,480)	(1,523)	(381)	(6,384)

Notes to the Financial Statements

Year ended 31 December 2013

The preliminary results have been prepared on the basis of the accounting policies as set out in the previous annual financial statements.

1. TURNOVER

Trading turnover, which arises solely in the United Kingdom, represents admissions to the racecourse, catering, hospitality sales, sponsorship, media rights licence fees, annual membership fees and all income from the provision of services for race meetings, net of value added tax where applicable. It also includes income from conference and events (shown in racecourse trading), the golf club, and fees for the Rocking Horse Nursery net of value added tax where applicable. HBLB revenue grants are not included in turnover, instead they are included as a contribution against prize money in cost of sales. Property turnover represents rental income.

Segmental Analysis

2013	**Turnover £'000**	**Gross Profit £'000**	**Operating Profit/ (loss) Before Exceptional Items £'000**	**Exceptional Operating Items £'000**	**Exceptional Items £'000**	**Profit/ (loss) Before Tax £'000**	***Net assets £'000**
Racecourse trading	10,782	1,903	(27)	(523)	-	(842)	10,685
Nursery	746	195	195	-	-	195	(14)
Golf	57	(19)	(19)	-	-	(19)	-
Total trading	11,585	2,079	149	(523)	-	(666)	10,671
Property	30	30	(52)	(45)	1,820	2,212	9,039
Total	11,615	2,109	97	(568)	1,820	1,546	19,710

2012	Turnover £'000	Gross Profit £'000	Operating Profit/ (loss) Before Exceptional Items £'000	Exceptional Operating Items £'000	Exceptional Items £'000	Profit/ (loss) Before Tax £'000	*Net assets £'000
Racecourse trading	10,785	496	(3)	(1,561)	-	(1,680)	10,725
Nursery	809	237	237	-	-	237	17
Golf	202	2	2	-	-	2	2
Total trading	11,796	735	236	(1,561)	-	(1,441)	10,744
Property	15	(12)	(279)	(436)	10,007	9,370	7,983
Total	11,811	723	(43)	(1,997)	10,007	7,929	18,727

*Net asset represents fixed assets less deferred income and term loans for property, nursery and golf; all working capital is included within the 'Racecourse Trading' segment.

Notes to the Financial Statements

Year ended 31 December 2013

2. EXCEPTIONAL ITEMS

Operating Items	2013 £'000	2012 £'000
HBLB revenue grant waived	-	(986)
Asset impairment	(51)	(1,011)
Redundancy and restructuring costs	(517)	-
Total	(568)	(1,997)

HBLB revenue grant waived

The HBLB provides revenue grants to racecourses to support the holding of race meetings. These revenue grants can be waived by racecourses and transferred to 'capital credits'. Such capital credit grants may be claimed by Newbury Racecourse PLC, but at the HBLB's discretion, against expenditure on approved capital projects. These are shown as cost of sales and are included within deferred capital grants. Deferred capital grants are not repayable and are released to the profit and loss account over the life of the asset to which they relate. £Nil of revenue grants have been waived by the company in the year ended 31 December 2013 (2012: £986,000).

Asset Impairment

During the year ended 31 December 2013, the Company leased a number of items to Newbury & Crookham Golf Club at nil value, the assets have therefore been fully impaired, (£6,000). A further asset impairment (£45,000), is the write off of design fees associated with certain revisions to the investment proposals for the racecourse development.

During the year ended 31 December 2012, the directors undertook a review of the detailed fixed asset register and identified a number of assets, which in light of the on-going redevelopment, were considered to be carried at a net book value in excess of their recoverable value. Accordingly, these trading assets were impaired (£575,000).
In light of the economic environment and the Board's decision to seek external partners to deliver the hotel, the preliminary costs and design fees associated with the hotel were impaired as an exceptional property expense (£436,000) in 2012.

Restructuring costs

During 2013 the Board took the decision to appoint a Chief Executive, replacing the previous structure of Joint Managing Directors. The financial statements include the costs (£422,000) of implementing this new management and board structure. Other redundancy payments (£95,000) were also made during the year ended 31 December 2013.

Non-Operating Items	2013 £'000	2012 £'000
Profit on Sale of Fixed Asset	1,820	16,513
Net book value of assets disposed	-	(4,092)
Other associated costs	-	(1,019)
DWH discount charge	-	(1,395)
Total	1,820	10,007

Profit on sale of fixed assets, £1.8m is in respect of the recognition of new car parking facilities funded by David Wilson Homes as part of the development agreement signed in 2012, together with the release of a provision for costs associated with the 2013 land disposal that were settled at a lesser value to that accrued.

On 18 September 2012 the Company completed the sale of the land known as the Western and Central sites, together with the associated access and easement rights and planning permissions to David Wilson Homes Limited. The profit on disposal of £10.0m in 2012, is the discounted net present value of the minimum guaranteed land value of £16.5m for these sites, less the write off of associated assets and other directly attributable costs.

Notes to the Financial Statements

Year ended 31 December 2013

3. TAXATION

	2013 £'000	2012 £'000
Charge for the year	407	2,950
Adjustments in respect of prior years	55	(56)
Total current tax	462	2,894
Deferred taxation:		
Origination and reversal of timing differences	63	(21)
Utilisation of tax losses	(29)	2
Effect of change in rate	(9)	(31)
Adjustment in respect of prior years	(41)	6
	(16)	(44)
Deferred tax on interest charge on pension scheme	(6)	(4)
Tax charge	440	2,846

The actual tax charge for the current and previous year differs from the effective rate (23.75%, 2012: 24.5%) for the reasons set out in the following reconciliation.

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	1,546	7,929
Tax on profit on ordinary activities at the standard UK rate	367	1,943
Income not chargeable for tax purposes	(117)	(71)
Expenses not deductible for tax purposes	148	173
Depreciation in excess of capital allowances	(8)	20
Permanent difference in respect of exceptional property transaction	34	895
Short term timing differences	(24)	(8)
Adjustment in respect of prior years	55	(56)
Utilisation of tax losses	7	(2)
Total actual amount of current tax	462	2,894

Deferred tax has not been provided on revaluations of fixed assets (see note 10). This tax will only become payable if the assets are sold and rollover relief is not obtained. The estimated amount of tax that would become payable in these circumstances is £17,928 (2012: £18,494). Deferred tax has not been provided on the rollover relief claimed in respect of the capital gain which arose in 2003 on the sale of the 8.56 acres of land to the south of the racecourse. The estimated amount of tax that would become payable if the qualifying assets were sold is £2,149,281.

Notes to the Financial Statements

Year ended 31 December 2013

4. PROFIT PER SHARE

Basic and diluted profit per share is calculated by dividing the profit attributable to ordinary shareholders for the year ended 31 December 2013 of £1,106,000 (2012: £5,083,000) by the weighted average number of ordinary shares during the year of 3,348,326 (2012: 4,600,424).

5. SHARE CAPITAL

	2013 £'000	2012 £'000
Authorised		
Ordinary shares at 10p each	**600**	600
Total	**600**	600
	2013	**2012**
Allotted and fully paid	**£'000**	**£'000**
Ordinary shares of 10p each	**335**	478
Share buy back	**-**	(143)
Total	**335**	335

On 15 November 2012 the shareholders of the company passed a resolution to buy back 1,428,174 Ordinary shares owned by GPG (UK) Holdings plc at 450 pence per Ordinary share. The nominal value of the shares cancelled was £142,817, and the total consideration paid for the shares was £6,426,783 before expenses.

6. GOING CONCERN

The Board has undertaken a full and thorough review of the group's forecasts and associated risks and sensitivities, over the next three years. The extent of this review reflects the current uncertain economic climate as well as specific financial circumstances of the group.

The Board identified that the group's cash flow forecasts are sensitive to fluctuating revenue streams from ticket sales, corporate hospitality, conference and event income and the timing of receipts and payments in respect of the property redevelopment. A system of regular reviews of forecast business and expected property receipts has been implemented to ensure all variable costs are flexed to match anticipated revenues. In addition a number of race meetings have been insured for adverse weather conditions, reducing the levels of risk carried by the group.

The Board has reviewed the cash flow and working capital requirements in detail. Prior to the balance sheet date a new facility was signed extending the current revolving credit facilities to December 2015. Following this review the Board has concluded that it has a reasonable expectation that the group has adequate resources in place to continue in operational existence for the foreseeable future and on that basis the going concern basis has been adopted in preparing the financial statements.

Notes

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 December 2013 or 2012, but is derived from those accounts. Statutory accounts for 2012 have been delivered to the Registrar of Companies and those for 2013 will be delivered following the company's annual general meeting. The auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498(2) or (3) Companies Act 2006.

The information included in this announcement is taken from the audited financial statements which are expected to be dispatched to the members shortly and will be available at www.racecoursenewbury.co.uk.

Neither an audit nor a review provides assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular whether any changes may have occurred to the financial information since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.

Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

This preliminary statement was approved by the Board of Directors on 9 April 2014.